Increase in the price of newsprint

747. SHRI B. SATYANARAYAN REDDY:
SHRI CHATURANAN MISHRA:
SHRI N. E. BALRAM:

Will the Minister of INDUSTRY be pleased to state:

(a) what are the reasons for the recent sharp increase in the price of newsprint by about Rs. 1,000 per ton to Rs. 1600 per ton;

(b) whether Government are aware that such sharp increase in the price of newsprint may impose a crippling burden on the press;

(c) whether the representatives of the newspapers were explained the reasons for the increase; and

(d) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM): (a) to (d) Based on a study made by the Bureau of Industrial Costs and Prices, the Central Government have permitted the indigenous newsprint manufacturers to raise their selling prices to the extent indicated below with effect from 31-12-1985:—

Name of the manufacturer	Increase permitted (Rs. per Tonne)
1 National Newsprint & paper mills	1860
2 Mysore Paper Mills	960
3 Hindustan Newsprint Ltd.	960
4 Tamil Nadu Newsprint & paper Ltd. . . .	960

The indigenous newsprint manufacturers are allowed to charge only the prices based on normative criteria as recommended by th BICP. The claims of the indigenous newsprint manufacturers for revision of their ex-mill prices on account of the escalations in the cost of raw materials and other inputs were got examined by the BICP before Government decided to permit the price increase. A large part of the escalations in costs claimed by the manufacturers was on account of the increase in working costs for forest raw materials and related taxes, increases in royalties, hikes in power rates and increases in tax on self-generated power. The representatives of IENS were given the opportunity to express their views with regard to the review of price of indigenous newsprint before BICP.

Cement retention price

748. SHRI DINKARRAO GOVINDRAO PATIL: Will the Minister of INDUSTRY be pleased to state·

(a) whether Government propose to increase cement retention price in view of rise in its cost; and

(b) if so, what is the extent of rise to be given?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM): (a) and (b) Recently, a representation has been received from the Cement Manufacturers' Association seeking increase in the retention price of cement due to cost escalation in power tariff, price of coal, movement of coal by railways, increase in the D.A. rates etc. No decision has been taken by Government so far in this regard.